

Public Interest Benefits of Wireless Solution

Competition Exists in the Residential Wireless Market

	# of Wireless Carriers*	# of Landline Carriers
Texas	4	1
Oklahoma	5	1
Colorado	5	1
Kansas	5	1
Nebraska	3	1
Idaho	2	1
Nevada	3	1
North Dakota	4	1
South Dakota	2	1
Montana	3	1
Wyoming	2	1
Minnesota	4	1
Missouri	4	1
New Mexico	4	1
Utah	3	1

Challenges and Obstacles

- Establishing and Maintaining a Competitive Universal Service System in Territories Served by Rural Telcos
- Establishing State Universal Service Rules that Do Not Disadvantage Wireless Carriers
- Maintaining a Competitively-Neutral Universal Service System that takes into Account the Unique Advantages of Wireless

Federal/State Action Items

- Universal Service Support based upon Most Cost-Effective Technology
- Allow Consumers in Rural Areas to Immediately Choose a Competitive Carrier for Universal Service
 - Beginning January 1, 1999, Carriers Serving Rural Areas should Receive Support based upon Forward-Looking Costs

Federal/State Action Items

- Allow Consumer to Choose the Universal Service Offering that Best Suits Their Needs
 - No Need to Predetermine the Rate and Usage Level
- FCC Needs to Take Action if States Adopt Unreasonably Discriminatory Universal Service Requirement

Appendix

Universal Service Opportunities

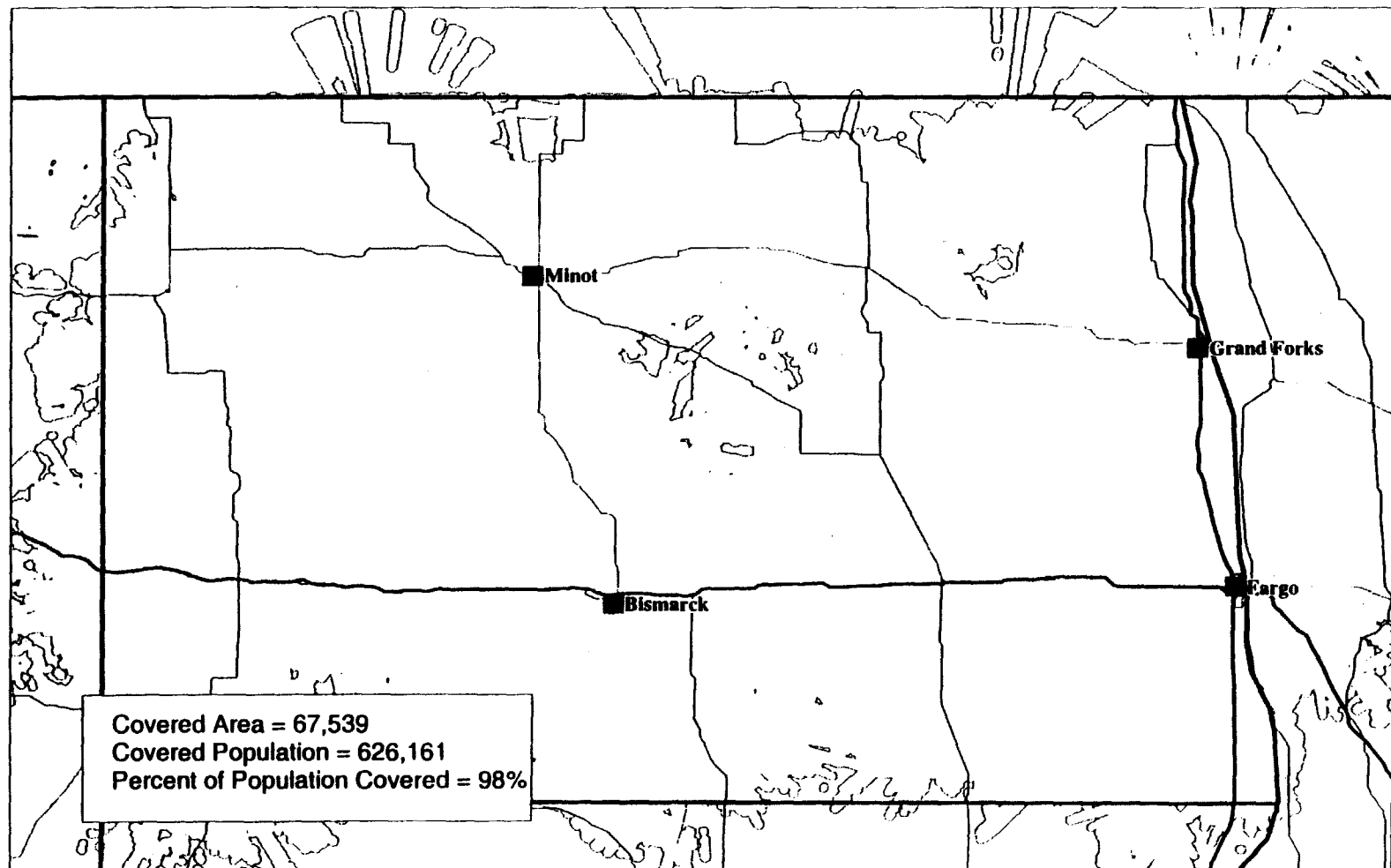
Pay Phones Today

<u>State</u>	<u>Pay Phone Lines</u>	<u>Pay Phones/Sq. Mile</u>
Massachusetts	46,323	5.91
Texas	102,512	.30
Nevada	6,893	.06
North Dakota	2,621	.04
Wyoming	3,628	.04
Montana	4,495	.03

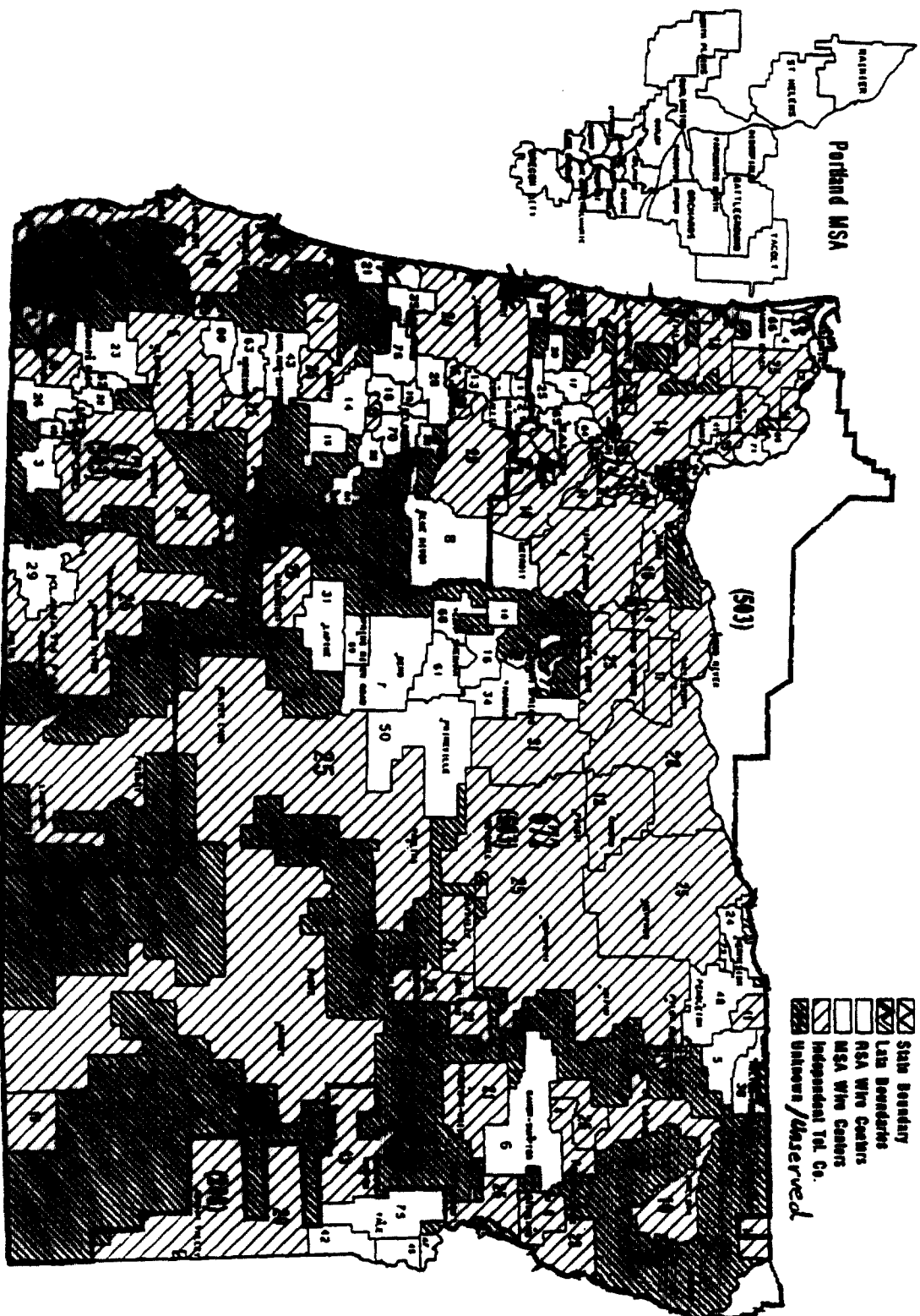
Source: U.S. Census Bureau



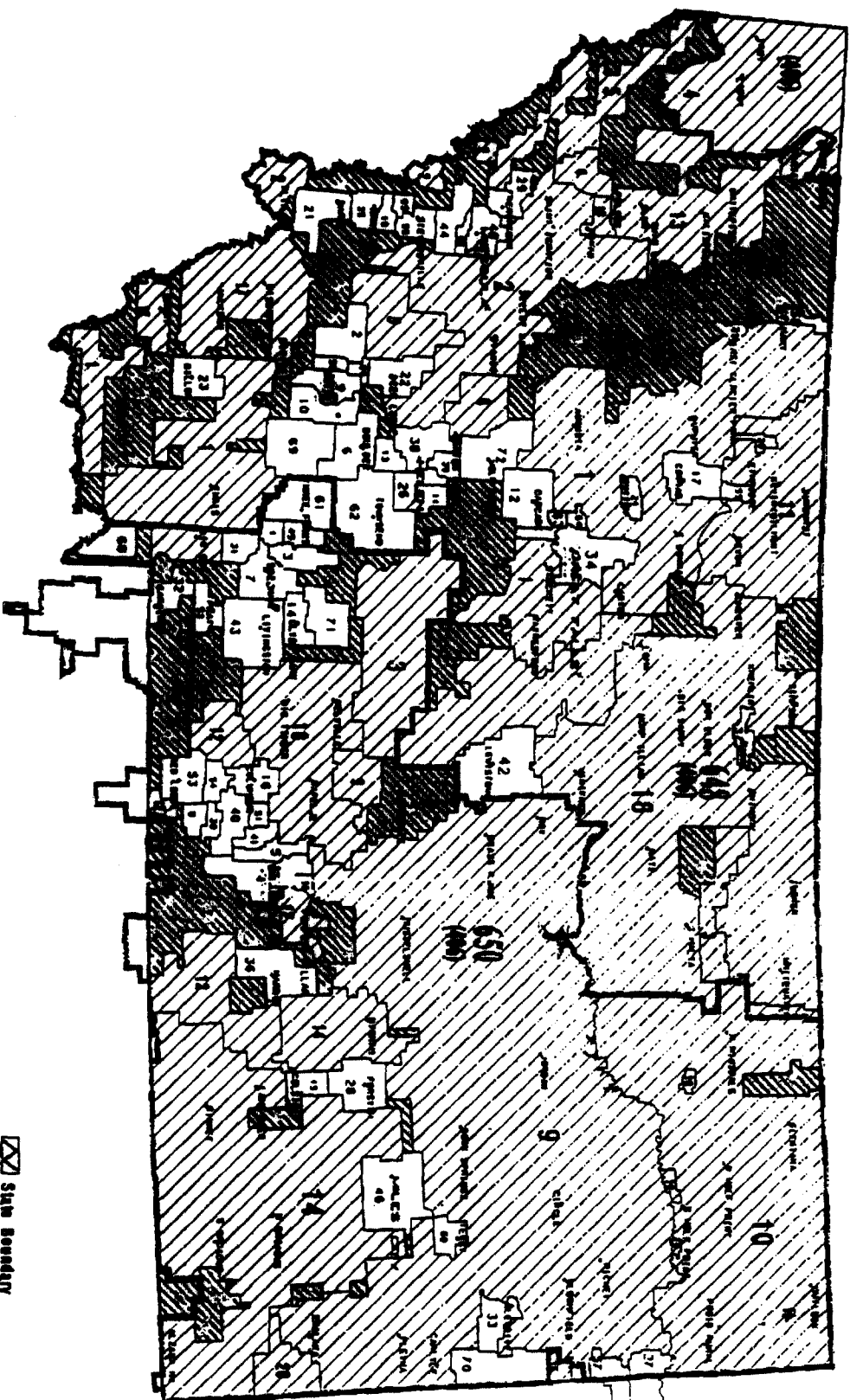
North Dakota Cellular Coverage



US West - Oregon LATA

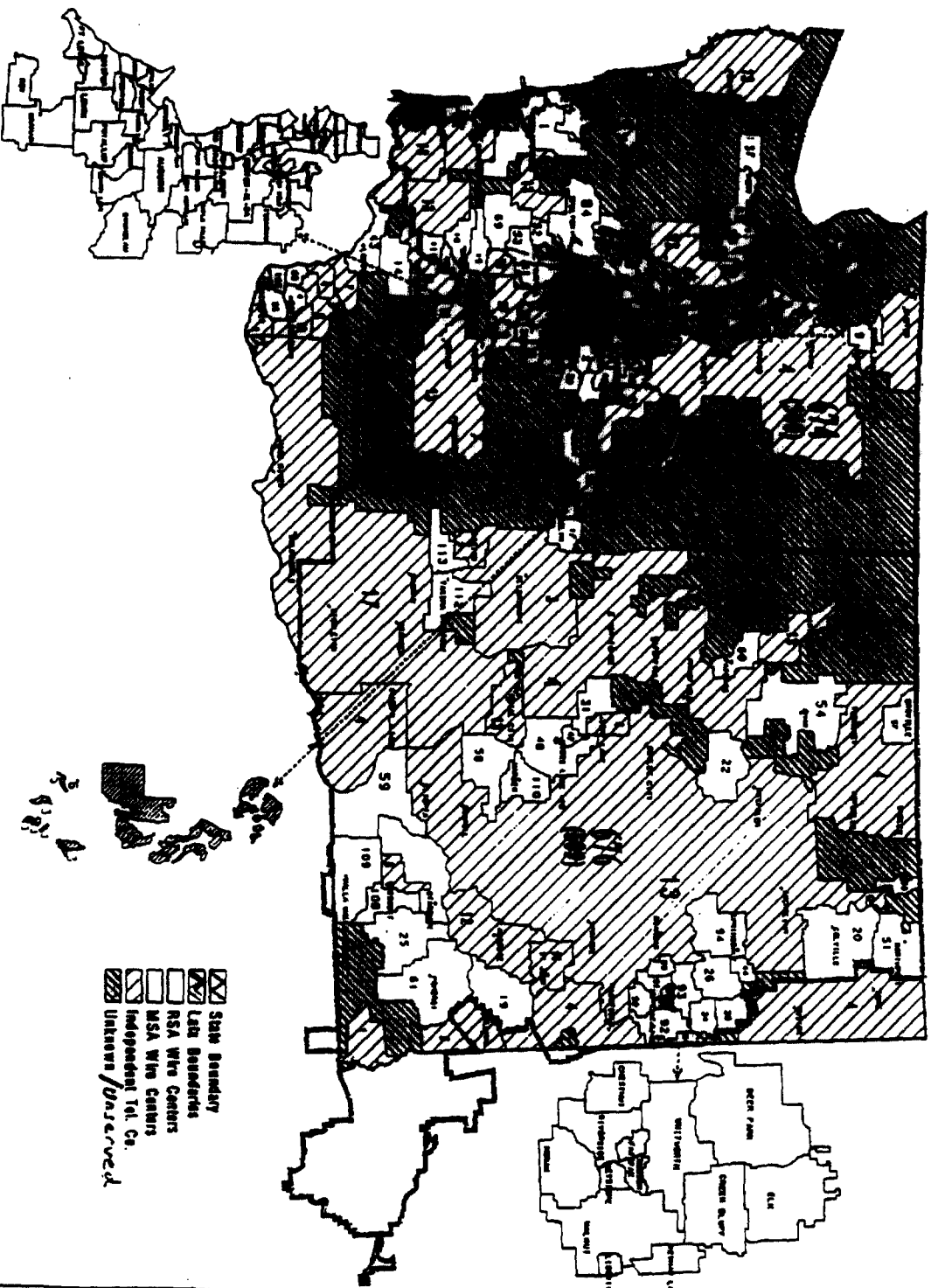


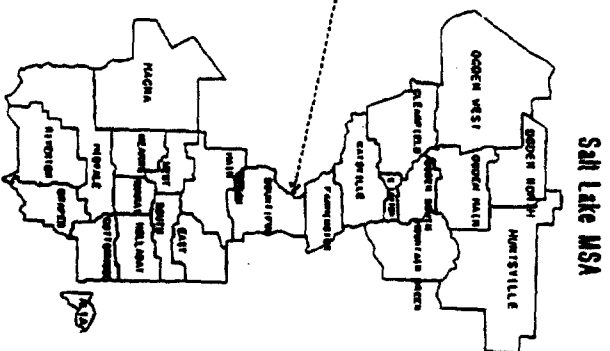
US West - Montana LATA



State Boundary
 LATA Boundaries
 NSA Wire Centers
 MSA Wire Centers
 Independent Tel. Co.
 Unknown/Reserved

US West - Washington LATAs





- ☒ State Boundary
☒ Latin Boundaries
☐ NSA Wire Centers
☐ NSA Wire Centers
☐ Independent Tel. Co.
☒ Unknown/Unreserved